Department of June 29, 2001

Environmental

Protection

59-17 junction Boulevard Corona, New York

11 368-5107

Joel A. Miele Sr., P.E. Commissioner

Wiffiain J. Muszynski, P.E. Acting Regional Administrator U.S. Environmental Protection Agency, Region 2 290 Broadway New York, NY 10007

Re: City of New York (City) / New York
Environmental Protection (DEP) / United States
Environmental Protection Agency (USEPA) / New York
City Watershed / Filtration Avoidance Determination, dated
May 6, 1997 with respect to the Catskill and Delaware
Water Supplies (FAD

Dear Mr. Muszynski:

Thank you for your letter dated March 7, 2001, with respect to the proposed modification of FAD requirements relating to the design of filtration facilities for the Catskill and Delaware water supplies.

This writing supersedes and replaces my previous letters to you, dated June 7 and June 22, 2001, concerning this matter.

We very much appreciate USEPA's willingness to consider our request for modification. We are also pleased to provide the following information, which we hope will address each of the concerns noted in your letter, and allow your office to proceed with the review and approval of our request.

- Program. In your March 7 letter, you request that DEP provide a defiled schedule for the completion of upgrades at each WWTP in the Catskill/Delaware (Cat/Del) watershed, and propose that relief from FAD requirements relating to the design of a Catskill / Delaware filtration plant be conditioned on compliance with the schedule for each such facility. We respectfully suggest that this is unduly burdensome and unnecessary, for the following reasons:
- a) As we have previously discussed, despite the fact that the Upgrade Program is making steady progress, it appears unlikely that DEP will be able to complete the upgrades at each and every

Therefore, as described at the meeting of our staffs in August 2000 and at our meeting in January 2001, we have shifted our focus to the practical and realizable goal of upgrading 90% (or as close to 90% as we can reasonably attain) of the total WWTP flow in the Cat/Del watershed by the second quarter of 2002. In effect, this means we are concentrating our efforts on four (4) large municipal WWTPs --- Delhi (includes Ultra Dairy), Hobart, Stamford and Walton --- which together account for approx. 80.5% of total flow. Because flow is so heavily concentrated at the four large municipal facilities, and because the remaining Cat/Del facilities are quite small and are in many cases open only for the winter or summer seasons, we believe that this approach makes sense, both from the standpoint of water quality protection and from the standpoint of best utilizing staff time and resources.

Attached hereto as Table I is a schedule that sets out our projected timehne for reaching substantial completion of the upgrades at the Delhi (includes Ultra Dairy), Hobart, Stamford and Walton WWTPS, along with the projected timeline for Mountainside Dairy and Hunter Highlands (small WWTPs which are fairly far along in their upgrades and which, together with the four aforementioned facilities, will enable us to address approx. 83.3% of total WWTP flow by the second quarter of 2002, inclusive of facilities scheduled to tie into the New Infrastructure Program'). This represents the maximum amount of flow we feel we can reasonably address by the second quarter of 2002. In keeping with our belief that this approach is sensible, we would agree to the proposition that continuing relief from the FAD requirements relating to the design of a Catskill/Delaware ffltration plant be conditioned upon compliance with the upgrade schedules for these facilities.

b)We do not believe it is necessary to condition relief on compliance with detailed schedules for the remaining Cat/Del *WWTPs*. As noted above, these facilities are very small and. are in many cases open only for a portion of the year. DEP inspects these facilities regularly (every quarter) and we have no evidence, at this point in time, that any of the remaining WWTPs poses a threat to the quality of the City's drinking water supply.

c)We also believe strongly that USEPA should not focus solely on the WWTP Upgrade Program in its consideration of our request for a modification to the FAD. We agree that this Program isvery important, and we take seriously those comments and criticisms contained in USEPA's Mid-Course Review relating to the Program. We have acted in response to those comments and criticism by (among other things) adding more internal staff to the Program,

In other words, flows from facilities expected to tie into plants built under the New Infrastructure Program have been included in the denominator, for purposes of calculating the total Catskill/Delaware flow expected to be addressed, under the Regulatory Upgrade Program, by the second quarter of 2002. DEP continues to believe that the flows from such facilities should be treated as a separate matter, under the New Infrastructure Program. If such flows were treated separately, the total Catskill/Delaware flow expected to be addressed under the Regulatory Upgrade Program, by the second quarter of 2002, would exceed 90%. engaging additional engineering assistance through consultants retained by the New York State Environmental Facilities Corporation, and moving certain WWTPS, where appropriate, directly to preparation of facility plans (skipping the Conceptual Upgrade Plan).

As I indicated in my letter to Jeanne Fox dated December 28, 2000, we believe that USEPA should consider the overall success of our Watershed Protection Program in weighing the merits of our

request for a modification. This includes (by way of example only) the outstanding success of the Watershed Agricultural Program, the steady acquisition of fee title to, or conservation easements on, sensitive watershed lands, the virtual completion of the Sand & Salt Storage Program; and the success of the Catskill Watershed Corporation, with City funding, in remediating over 1,500 failed or failing septic systems.

When viewed in this light, we feel that conditioning our request for a modification on DEP's compliance with upgrade schedules covering approx. 83.3% of total WWTP flow in the Cat/Del watershed is both reasonable and appropriate.

As noted above, the enclosed Table I sets out our projected milestone schedule for the upgrades at Delhi, Hobart, Stamford, Walton, Mountainside Dairy, and Hunter Highlands. These are the milestones which DEP will commit to in consideration of being relieved of FAD requirements pertaining to the design of a Catskill/Delaware filtration facility. I am also enclosing a second chart, denominated as Table 2, which is provided for information purposes and reflects our best estimate, as of today, of the milestone schedules for the remaining WWTPs in the Catskill/Delaware watershed. We are committed to completing the upgrades of these remaining facilities as quickly as possible, consistent with our fast-track action plan presented in August 2000. With respect to WWTPs scheduled to be tied into plants being built under the New Infrastructure Program, our best estimate, as of today, is that those plants will begin to be completed in 2004.

(2) <u>Ultraviolet (UV) feasibility: Proceeding with Design and Construction</u>. With respect to the possible use of ultraviolet light (UV) as a disinfection technology, you request, as a condition to the modification of the FAD, that DEP agree that the decision to proceed with design and construction of UV be made by USEPA in consultation with the New York State Department of Health (NYSDOH), based on the City's Feasibility Study Report and other relevant data. We agree with this condition and did **not** mean to suggest that the decision to proceed with design and construction of UV would be made unilaterally by DEP.

We would be more than willing to meet with you to discuss any of the foregoing matters, or -to respond to any questions you may have. Please do not hesitate to contact me if I can be of assistance.

Very Truly Yours, Miele Sr., F.

Enc.

cc w/enc.: M. Principe

R. Ravallo D. Warne M. Hoffer

Table I of 2 Committed Catskill/Delaware System WWTP Upgrade Program Projections (6/20/01)

MILESTONE: WWTP	PUP FLOW Approval	FUP	Construction	M9 Functional
		Approval	Start Up	Completion (MGD)
Mountainside Dairy Farms	3 rd Qt '01	3 rd Qt '01	4th Qt '01	2 nd Qt '020.0498
Hunter Highlands	3 rd Qt '01	3 rd Qt '01	4th Qt '01	2 nd Qt '020.040
Village of Delhi (including Ultra Dairy)	3 rd Qt '01	3 rd Qt '01	3 rd Qt '01	2 nd Qt '020.7150
Village of Hobart	3 rd Qt '01	3 rd Qt '01	3 rd Qt '01	2 nd Qt '020.1600
Village of Stamford	3 rd Qt '01	3 rd Qt '01	3 rd Qt '01	2 nd Qt '020.5000
Village of Walton	2 nd Qt '01	3 rd Qt '01	3 rd Qt '01	2 nd Qt '021.1700

Total 2.6348

Summary

Total Flow Catsldll/Delaware System:

3.1618 mgd

Projected Upgrade Program Total Flow Functionally Complete by Id Qtr. 2002:

2.6348 mgd

Projected Upgrade Program % Flow Functionally Complete by 2"l Qtr. 2002:

83.3%

Table II of 2
Committed
Catskill/Delaware System WWTP Upgrade Program Projections
(6/20/01)

MILESTONE: WWTP	PUP Approval	FUP Approval	Construction Start Up	M9 FunctionalFLOW Completion (MGD)
Allen Residential	4 th Qt '01	4 th Qt '01	2 nd Qt '02	4th Qt '020.020
2. Camp Loyaltown*	3 rd Qt '01	3 rd Qt '01	NA	NA0.021
3. Camp Nubar	4th Qt '01	1st Qt '02	2 ^{nd t} Qt '02	4th Qt '020.0125
4. Clear Pool Camp	3 rd Qt '01	3 rd Qt '01	4th Qt '01	4th Qt '020.020
5. Camp Timberlake	4th Qt '01	4th Qt '01	2 nd Qt '02	4th Qt '020.0034
6. Colonel's Chair Estates	*	3 rd Qt '01	3 rd Qt '01	NA NA 0.0030
7. Delaware BOCES	3 rd Qt '01	3rd Qt '01	4th Qt '01	3 rd Qt '020.0025
8. ELka Park	4 th Qt '01	1st Qt '02	2 nd Qt '02	1st Qt '030.010
9. Forester Motor Lodge*	3 rd Qt '01	3 rd Qt '01	NA	NA0.0039
10. Frog House*	-	-	NA	NA0.0018
11. Golden Acres Farm	4th Qt '01	4th Qt '01	2 nd Qt '02	4th Qt '020.0092
12. Harriman Lodge	3 rd Qt '01	4th Qt '01	2 nd Qt '02	3 rd Qt '010.020
13. Latvian Church Camp	3 rd Qt '01	3 rd Qt '01	4th Qt '01	3 rd Qt '020.007
14. Liftside*	3 rd Qt '01	3 rd Qt '01	NA	NA0.081
15. Mountain View Est. #1	4th Qt '01	4th Qt '01	2 nd Qt '02	1st Qt '030.007
16. Mountain View Est. #2	4th Qt '01	4th Qt '01	2 nd Qt '02	1st Qt '030.006
17. Mountainside Inn	3 rd Qt '01	3 rd Qt '01	4th Qt '01	3 rd Qt '020.0031
18. Olive Woods (aka Rotron)	3 rd Qt '01	3 rd Qt '01	4th Qt '01	4th Qt '020.0128

Table II of 2
Committed
Catskill/Delaware System WWTP Upgrade Program Projections
(6/20/01)

MILESTONE: WWTP	PUP Approval	FUP Approval	Construction Start Up	M9 FunctionalFLOW Completion (MGD)
19. Onteora Central School	s 3 rd Qt '01	3 rd Qt '01	4 th Qt '01	3 rd Qt '020.027
20. Regis Hotel*	4 th Qt '01	4th Qt '01	NA	NA0.0096
21. Ron De Voo Restauran	t 4 th Qt '01	3 rd Qt '01	2 nd Qt '02	4th Qt '020.0010
22. Roxbury Run Village	3 rd Qt '01	3 rd Qt '01	4 th Qt '01	3 rd Qt '020.035
23. SEVA Institute	4 th Qt '01	4 th Qt '01	2 nd Qt '02	3 rd Qt '020.0078
24. Snow Time, Inc.*	3 rd Qt '01	3 rd Qt '01	NA	NA0120
25. Camp L'man Achai (aka Tai Chi Camp)	4 th Qt '01	1 ST Qt '02	2 nd Qt '02	3 rd Qt '020.0075
26. The Thompson House	* 3 rd Qt '01	3 rd Qt '01	NA	NA0.0048
27. Whistle Tree*	4 th Qt '01	4th Qt '01	NA	NA0.0125
	0.527			Total

Total NIP Flow: 0.2846mgd

Hobart.

^{*} New Infrastructure Program (NIP) WWTps

^{**} Functional completion, 2"&/3 rd Qt'02 if connected to Village of